

Customer Complaint Settlement Scheme

**For the period
from 1 May 2018 to 30 April 2019**

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1. Introduction

The voluntary Customer Complaint Settlement Scheme (“CCSS”) was launched on 1 November 2012 for a trial period of two years to help resolve billing disputes in deadlock between the telecommunications service providers and their residential/personal customers by means of mediation. A CCSS Mediation Centre (Telecom) (the “Centre”) was set up under the Communications Association of Hong Kong (“CAHK”) to manage and operate the scheme.

Having regard to the encouraging outcome of the trial, the proven demand and positive feedback from customers and the participating service providers, the CCSS was implemented on a long-term basis starting from 1 May 2015.

The scheme received continuous support from the industry that all major telecommunications service providers and active mobile virtual network operators have participated in the scheme. The list of the CCSS Members as at 30 April 2019 is shown as follows:

China Mobile Hong Kong Company Limited	China Unicom (Hong Kong) Operations Limited
China-Hong Kong Telecom Limited	CITIC Telecom International Limited
ComNet Telecom (HK) Limited (participated in June 2018)	CSL Mobile Limited
HGC Global Communications Limited	HKBN Enterprise Solutions Limited
Hong Kong Broadband Network Limited	Hong Kong Telecommunications (HKT) Limited
Hutchison Telephone Company Limited	i-CABLE
IMC Networks Limited	Multibyte Info Technology Limited
SmarTone Mobile Communications Limited	Sun Mobile Limited
WTT HK Limited	

Customers who have billing disputes for an amount not less than HK\$300 with the CCSS Members and a deadlock is reached (meaning that the CCSS Members have notified the customers that the billing disputes cannot be settled or the disputes remain unsettled for 6 weeks or more) may choose to use the mediation service provided by the CCSS. To make use of the mediation service of the CCSS, customers should first contact OFCA, which would assess the

merit of the cases and refer eligible cases to the Centre for further processing. With effect from 2 October, 2018, the service fees for customer and telecommunications service provider using the mediation service under the CCSS have been reduced to \$50 and \$100 respectively.

Apart from screening the applications, OFCA also sponsors the operation of the CCSS, through the Memorandum of Understanding (“MoU”) signed between OFCA and CAHK, by contributing the necessary funding, playing an active role in monitoring the performance and the governance of the scheme, and providing other administrative support.

2. Organisation Structure, Governance and Operation of the Centre

The Centre comprises the Governing Committee and the Operating Team in accordance with Schedule 2 of the MoU. They are supported administratively by a secretariat.

2.1 Organisation Structure

GOVERNING COMMITTEE

- Mr. Vincent WC Kwok – Chairman (appointed in March 2019)
- Mr. Alex WY Tam – Chairman (until March 2019)
- Mr. Alex KH Wong – Member
- Mr. Larry KH Tam – Member (appointed in March 2019)

OPERATING TEAM

- Ms. Kammy SC Cheng – Assistant Manager
- Mr. Gilbert KS Chan – Part-time mediator
- Ms. Eunice SY Chen – Part-time mediator
- Mr. Alex PF Wong – Part-time mediator
- Mr. Jason WK Wong – Part-time mediator

SECRETARIAT

- Ms. Agnes HC Lai – Administrative Officer

2.2 Governing Committee

The Governing Committee consists of a Chairman and two members appointed by CAHK and they are all independent from any CCSS Members. Their roles and responsibilities are set out in Schedule 2 of the MoU.

During the year, CAHK, CCSS Members, OFCA and the Governing Committee conducted meetings to review the management and operation of the CCSS. The chronology of the meetings and major events held for CCSS are tabulated below.

Date	Nature	Attendance
16 May 2018	Governing Committee Meeting	Operating Team; Governing Committee; OFCA
31 May 2018	EXCO Meeting 2016-2018	Operating Team; EXCO Members of CAHK
22 Jun 2018	EXCO Meeting 2016-2018	Operating Team; EXCO Members of CAHK
31 Jul 2018	EXCO Meeting 2018-2020	Operating Team; EXCO Members of CAHK
13 Aug 2018	Governing Committee Meeting	Operating Team; Governing Committee; OFCA
28 Aug 2018	EXCO Meeting 2018-2020	Operating Team; EXCO Members of CAHK
4 Oct 2018	EXCO Meeting 2018-2020	Operating Team; EXCO Members of CAHK
21 Nov 2018	EXCO Meeting 2018-2020	Operating Team; EXCO Members of CAHK

Date	Nature	Attendance
3 Dec 2018	Governing Committee Meeting	Operating Team; Governing Committee; OFCA
16 Jan 2019	EXCO Meeting 2018-2020	Operating Team; EXCO Members of CAHK
19 Mar 2019	EXCO Meeting 2018-2020	Operating Team; EXCO Members of CAHK
28 Mar 2019	Governing Committee Meeting	Operating Team; Governing Committee; OFCA

2.3 Operating Team

The Operating Team comprises administrative staff and a number of part-time mediators.

Members of the Operating Team are appointed in their individual capacity and they are independent from any CCSS Members. In addition, mediators in the Operating Team are equipped with adequate knowledge of the telecommunications industry and mediation skills for effective conduct of mediation.

The Assistant Manager of the Centre oversees the day to day operation of CCSS and the assignment of cases to mediators for mediations.

To ensure effective operation of the CCSS that meets the governance requirements as set out in Schedule 2 of the MoU, the Operating Team has continued to maintain a system for detecting, recording and dealing with governance breaches and complaints, including those cases received from OFCA and other regulatory authorities. Statistics are kept in the system and shared with OFCA for internal record on a monthly basis.

The Operating Team has continued to follow the procedure set out in Schedule 3 of the MoU in handling the complaints referred to the Centre. The process is set out as below:

Step 1	<ul style="list-style-type: none"> - The Centre contacts the customer as referred by OFCA and sends an email to the customer within 4 working days to collect the consent form, application form, application fee and the other relevant documents - The customer is requested to submit all the necessary documents to the Centre within 10 working days. On the 8th working day, a reminder is sent to the customer in case the required documents are not received from the customer
Step 2	<ul style="list-style-type: none"> - Within 4 working days after the submission of all the necessary documents by the customer, the Centre will verify the documents to ensure all the documents are in order
Step 3	<ul style="list-style-type: none"> - The Centre forwards the customer application form and other documents to the related CCSS Member
Step 4	<ul style="list-style-type: none"> - The CCSS Member is required to submit the reply form to the Centre within 14 working days. On the 12th working day, the Centre sends a reminder to the CCSS Member in case the reply form is not received from the CCSS Member. There is a grace period of 5 working days following the 14 working days. If the CCSS Member fails to submit all the documents after the 5 working days grace period, the Administrative Officer will notify the Assistant Manager and the Governing Committee to liaise with the CCSS Member - If the case is settled between the customer and the CCSS Member before the mediation is conducted, the CCSS Member and the customer shall send the settlement confirmation to the Centre for record and the case is closed

Step 5	- After all the required documents from the CCSS Member and the customer are received, the Centre arranges the mediation meeting for the two parties. Mediation is to be conducted and completed within 14 working days after the Centre receives the reply form from the CCSS Member
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The Operating Team monitored the progress of cases and sent reminders to scheme users before the submission deadlines.

The Operating Team complied with the Supplementary Guidelines on Fund Administration to ensure proper use of funds. All documents in relation to complaints are stored in locked cabinets for the sake of confidentiality.

The Operating Team conducted random checking on a monthly basis to ensure the information of the designated channels of the CCSS Members was updated on their websites for enquiry by customers. The Operating Team also called the designated channels to test the awareness of the frontline staff of the CCSS Members on the CCSS. The Operating Team has also collaborated with CCSS Members in distributing CCSS leaflets at their respective channels.

The Operating Team discussed with the CCSS Members regularly on the result of the random checking for continued improvement of their frontline staffs' understanding towards the scheme and the way in handling complaints related to CCSS.

The Operating Team collected survey forms from the scheme users after completion of each mediation case in order to review their feedbacks, comments and suggestions on the scheme. All survey forms would be sent to OFCA for record once a month.

The Operating Team updated the CCSS website regularly to provide up-to-date information to the public. The CCSS's governance policies and practices, corporate and strategic plans and publications were posted on the CCSS website for public browsing:

<p>Publications</p> <p>http://ccss.cahk.hk/zh/publication.html</p>
<p>CCSS Audited Financial Statements</p> <p>http://ccss.cahk.hk/en/pdf/CCSS%20Audit%20Report%202017-2018%20(Final).pdf</p> <p>Annual Report</p> <p>http://ccss.cahk.hk/en/pdf/CCSS%20Annual%20Report%202017-2018%20(clean).pdf</p>
<p>Designated Channels Information of the CCSS Members</p> <p>http://ccss.cahk.hk/en/ccss-members.html</p> <p>Application for CCSS Membership</p> <p>http://ccss.cahk.hk/en/pdf/Guidelines%20on%20CCSS%20Member%20Application%2020160718.pdf</p> <p>http://ccss.cahk.hk/en/pdf/CCSS%20Member%20Application%20Form%2020160707.pdf</p>
<p>The Memorandum of Understanding (MoU)</p> <p>http://ccss.cahk.hk/pdf/CCSS%20MoU%2020160706%20(Clean%20for%20Publish%20Online)%20(Final).pdf</p>
<p>The Schedules 1-4 to the MoU</p> <p>http://ccss.cahk.hk/en/about.html</p>

3. Promotion and Publicity for the CCSS

During the year, different measures were taken to enhance the public awareness and usage of the scheme. In particular, OFCA had launched a new round of publicity campaign from July 2018 to June 2019 to promote the CCSS through newspaper loose inserts, social media, website banners advertisements, Internet search engine, display of CCSS posters in public housing estates, public seminars and roving exhibitions. The Centre had also introduced the CCSS to all District Councillors as an alternative channel in handling telecommunications billing disputes by email.

New CCSS Leaflet:



CCSS Poster:



Facebook advertisements –



Google banner advertisements –



The promotion and publicity campaigns and events conducted by OFCA and the Centre to promote the CCSS were highlighted as below:-

Date	Channels	Particulars
Oct 2018 and Jan 2019	Free Newspaper (AM730)	CCSS leaflet as loose insert in the newspaper to private housing estates
Nov 2018 and Feb 2019	Public Housing Estates	Display of CCSS posters
Jul 2018 - Apr 2019	Google	Google keyword search advertisements
Aug 2018 - Apr 2019 (alternate months)	Various Websites	Website banner advertisements
Jul 2018 - Mar 2019 (alternate months)	Facebook	Facebook advertisements

Date	Channels	Particulars
Jun and Oct 2018	Facebook	Facebook featured post at OFCA Facebook Fan Page (Communications Master • OFCA)
Sept - Dec 2018	OFCA's Public Seminars	Introduction of CCSS to the public in public seminars
Oct 2018 - Mar 2019	OFCA's Roving Exhibitions at various shopping centres and the Kowloon Park	Display of CCSS information at the roving exhibition panels

4. Statistics

A total of 56 eligible cases were received by OFCA during the fourth year of the long term implementation of the CCSS. Among them, 34 cases were satisfactorily settled before referral to the Centre and the remaining 22 cases were referred to the Centre for provision of mediation service.

	No. of eligible cases
Cases settled before referral to the Centre	34
Cases referred to the Centre	22
Total number of eligible cases	56

Among the 22 cases referred to the Centre, 21 cases were satisfactorily settled and 1 case was not settled.

	No. of cases referred to the Centre
Cases settled/closed before mediation	8
Cases settled after mediation	13
Case not settled after mediation	1
Total number of referred cases	22

5. Performance Assessment

5.1 Key performance indicators (“KPIs”)

KPIs were in place to keep track of the performance of the Centre. The overall achievement of the Centre during the year was shown as below:

KPIs	Target	Achievement
% of cases which customers were first contacted within 4 working days from the date of referral from OFCA	100%	100%
% of cases which reminders were issued to the CCSS Members to return the CCSS Members Reply Form within 14 working days	100%	100%
% of cases which mediation was conducted within 14 working days of receipt of CCSS Member Reply Form	75%	85.7%
% of cases which were processed within 2 months from date of referral from OFCA to completion of Mediation.	75%	92.9%
% of case which the Governing Committee completed the investigation of complaints against the Operating Team within 2 months from receiving the complaints	75%	N/A*
% of quarterly statistics submitted to OFCA within 10 working days after the end of each quarter	100%	100%
% of projected funding requirements submitted to OFCA no later than 15 working days from the beginning of each new quarter	100%	100%
% of management accounts submitted to OFCA within 15 working days after the end of the last quarter	100%	100%
% of cases resolved	80%	95.5%
Average score of the user satisfaction survey (5 as the highest)	4	4.6

* No complaint was received during the period.

During the year, the Centre has achieved 100% of the targets in following the procedures and processes set out under Schedules 2 and 3 of the MoU.

5.2 Users’ Feedbacks

The average scores of the feedback received from the completed mediation cases during the year are shown as below:

Average score (5 as the highest)		Customers	CCSS Members
1	The Centre staff have informed me of the procedures in relation to the CCSS process	4.6	4.9
2	The Centre staff have consulted me on a timing and method for conducting mediation that suited my needs	4.6	4.9
3	The Centre staff were responsive to my enquiries	4.6	4.9
4	The Centre staff were helpful and courteous to me	4.6	4.9
5	The mediator was able to facilitate the negotiation between me and the other party	4.7	4.7
6	The charge on using the CCSS service* was reasonable	4.4	N/A
7	The time taken for resolving the dispute via the CCSS was reasonable	4.1	4.7
8	The CCSS was effective in resolving the billing disputes in deadlock	4.3	4.6
9	The overall arrangement of the CCSS was satisfactory	4.3	4.8
Average total score:		4.5	4.8

*The charge has been reduced from \$100 to \$50 with effect from 2 October 2018.

6. Case Study

The customer kept a habit of turning on the call forwarding feature of his mobile phone such that all “busy”, “no answer” or “unreachable” calls to his mobile phone would be diverted to the secretarial service in order not to miss any important calls. When the customer travelled overseas, he assumed that his calls would be forwarded to the secretarial service if he did not answer any incoming calls and therefore no roaming charges would be incurred. However, he found that he was charged by his mobile service provider with roaming charges even though he had not answered any calls when he travelled overseas. The customer refused to settle the payment and lodged a complaint with his mobile service provider. The dispute could not be settled after rounds of negotiation. Finally, the customer sought help from the CCSS.

During the mediation meeting, with the assistance of the mediator, the customer came to understand the cause of the unexpected roaming charges. As the customer had not cancelled the call forwarding feature before departure from Hong Kong, roaming call charges were incurred when the unanswered “busy”, “no answer” or “unreachable” calls were forwarded back to the secretarial service in Hong Kong. Having understood the cause of the roaming charges, the customer agreed to reach a settlement agreement with his mobile service provider and the dispute was successfully settled.

7. Audited Financial Statement

During the year, the Centre was granted sponsorship of HK\$954,487 from OFCA for the operation of CCSS.

The total income and expenditure for the year were HK\$957,916 and HK\$998,337 respectively. The total income included the above sponsorship, service fees for cases handled under the CCSS and bank interest. Under these circumstances, the deficit for the period was HK\$40,421.

Please refer to the audited report of CCSS which had been approved by the Governing Committee and submitted to OFCA together with this Annual Report.

- End of the Report –